

General Assembly

Raised Bill No. 6850

January Session, 2001

LCO No. 4184

Referred to Committee on Select Committee on Housing

Introduced by: (HSG)

AN ACT CONCERNING THE POWER OF A MUNICIPALITY TO APPOINT A RECEIVER OF RENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 47a-56a of the general statutes is repealed and the
- 2 following is substituted in lieu thereof:
- Whenever any order issued under the provisions of section 47a-53,
- 4 or section 47a-55, or under the provisions of any municipal charter or
- 5 special act or ordinance relating to the abatement of nuisances in
- 6 tenement houses is not complied with, or not so far complied with as
- 7 the appropriate authority finds reasonable, within the time allowed, or
- 8 whenever a landlord has not substantially complied with the
- 9 provisions of section 47a-7, the authority appointed under the
- provisions of section 47a-56, [shall] <u>may</u> apply to the superior court for
- 11 the judicial district where the property is situated for an order
- 12 requiring the owner and any mortgagees or lienors of record to show
- 13 cause why a receiver of rents, issues and profits should not be
- appointed and why said receiver should not remove or remedy such condition and obtain a lien in favor of the municipality, having priority
- 16 with respect to all existing mortgages or liens, to secure payment of the

costs incurred by the receiver in removing or remedying such condition. Such application shall contain (1) proof by affidavit that an order of the proper authority has been issued and served on the owner, mortgagees and lienors; (2) a statement that a nuisance exists because a landlord has been in substantial noncompliance with the provisions of section 47a-7 or a nuisance exists that constitutes a fire hazard or a serious threat to life, health or safety and that such nuisance continued to exist in such property after the time fixed for the removal thereof in such order, and such statement shall contain a description of the property and the conditions constituting such nuisance; (3) a brief description of the nature of the work required to remove or remedy the condition and an estimate as to the cost thereof.

- Sec. 2. Section 47a-56d of the general statutes is repealed and the following is substituted in lieu thereof:
- (a) The receiver's appointment shall not be effective until [he] <u>the receiver</u> furnishes a bond, with sufficient surety, in an amount to be determined by the court, and until [he] <u>the receiver</u> provides evidence [that he has obtained] <u>of</u> liability insurance <u>coverage</u> in an amount to be set by the court, but at least in an amount, for a single injury, equal to one hundred per cent of the appraised value of the property, disregarding encumbrances.
- (b) The receiver shall with all reasonable speed remove the delinquent matters and deficiencies in the property constituting a serious fire hazard or a serious threat to life, health or safety. During the term of the receivership the receiver shall repair and maintain the property in a safe and healthful condition. The receiver shall have the power to let contracts [therefor] in accordance with the provisions of local laws, ordinances, rules and regulations applicable to contracts for public works. Notwithstanding any such laws, ordinances, rules or regulations, the receiver may let contracts or incur expenses for individual items of repairs, improvements or supplies without advertisement or the procurement of competitive bids where the total

- (c) The receiver shall collect the accrued and accruing rents, issues and profits of the property and apply the same to the cost of removing or remedying such nuisance, to the payment of expenses reasonably necessary to the proper operation and management of the property, including insurance and the fees of the managing agent, if any, and to unpaid taxes, assessments, water rents and sewer rents and penalties and interest thereon.
- (d) If the income of the property is insufficient to cover the cost of remedying or removing such nuisance, the municipality [shall] <u>may</u> advance to the receiver any sums required to cover such cost and thereupon shall have a lien against the property having the priority provided in section 47a-56a.
- 66 (e) Any excess of income of the property in the hands of the receiver 67 shall be applied to the necessary expenses in regard to such property 68 of his office as receiver and then to sums due to mortgagees or lienors.
- (f) The receiver shall have the power to bring a summary process action pursuant to the provisions of chapter 832 against any tenant or occupant of the property.
- 72 (g) A receiver appointed pursuant to this section shall not be liable in
- 73 <u>the capacity of receiver to any person, except for intentional or wilful</u>
- 74 <u>misconduct.</u>

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Statement of Purpose:

To make the statutes allowing the appointment by a municipality of a receiver of rents more flexible and workable.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]